

HCS SCS SB 907 -- PETROLEUM FUEL STORAGE TANKS AND EQUIPMENT

SPONSOR: Engler (Cooper, 120)

COMMITTEE ACTION: Voted "do pass" by the Committee on Conservation and Natural Resources by a vote of 12 to 0.

This substitute changes the laws regarding petroleum fuel storage tanks. In its main provisions, the substitute:

(1) Extends the expiration date of the Petroleum Storage Tank Insurance Fund to December 31, 2020, increases the maximum per-tank fees collected by the fund from \$300 to \$500 with the option of requiring new applicants to pay a \$500 surcharge per tank for each year that the tank was eligible for coverage by the fund, and transfers the board of trustees of the fund from the Department of Natural Resources to the Office of Administration;

(2) Allows any interested party to serve on the advisory committee for the fund and changes the committee's time period reporting requirement to the General Assembly on the status of private insurance for fuel storage from each year to every two years;

(3) Specifies that the total liability of the fund for all clean-up costs, property damage, and bodily injury is \$1 million per occurrence or \$2 million total per year;

(4) Specifies that after December 31, 2017, the current legal owner of a storage tank will be responsible for corrective action due to a leak;

(5) Prohibits the transfer of petroleum to tanks unless spill prevention, leak detection, and other types of equipment are installed on tanks and allows the Department of Natural Resources to red flag tanks that are ineligible to receive petroleum. The department must notify in writing an owner within 14 days of tagging a tank and must remove a tag upon a satisfactory resolution of the problem. The department is required to conduct an inspection in order to determine if a tag may be removed within 24 hours of receipt of notice that the problem has been corrected or the tank owner may remove the tag and continue operations. An appeal of the department's decision may be made to the Administrative Hearing Commission or to the appropriate circuit court;

(6) Requires, beginning December 31, 2010, owners of aboveground storage tanks to maintain insurance for spills in the amount of at least \$1 million per spill and \$2 million in aggregate or to participate in the fund; and

(7) Specifies that it is the public policy of the state to prohibit gasoline and diesel motor fuel in a retail sale transaction from being dispensed by any measuring device or equipment not approved by the Department of Agriculture or the National Type Evaluation Program.

FISCAL NOTE: No impact on General Revenue Fund in FY 2009, FY 2010, and FY 2011. Estimated income on Other State Funds of \$0 to \$1,398,200 in FY 2009, \$0 to \$1,398,200 in FY 2010, and \$5,571,510 to \$6,969,710 in FY 2011.

PROPOSERS: Supporters say that the bill will extend the Petroleum Storage Tank Insurance Fund to allow more owners to apply and receive coverage.

Testifying for the bill were Senator Engler; Missouri Petroleum Marketers and Convenience Store Association; and Department of Natural Resources.

OPPOSERS: There was no opposition voiced to the committee.